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AUTHOR: Patrick R. Beller

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THE LIFE AND WORK OF STEPHAN HALLER

Patrick R. Beller

This true biography of an intelligence officer is doubly a study in intelligence: it shows how a goodly endowment of intellectual equipment, the honing of scholasticism, and a catholic diversity of interests and experience provide none too elaborate a base for intelligence work, but indeed create the potential for extraordinary success. Haller's contributions to U.S. intelligence began in war, with the OSS. Often unorthodox in his methods but always effective in his stubborn onslaught on the work assigned him, he lived a career that is now part of the tradition of the U.S. intelligence service, a tradition that he and many of his colleagues have been building since the days of World War II.

Stephan Haller—scholar, mathematician, and political activist—was not the model intelligence officer, because there is no such thing. The job is so vast that in addition to that first requisite—brains—all kinds of persons and talents are needed. But Haller combined more talents than most men—combined them and controlled them, so that even seemingly disparate traits were fitted together. He was a thoughtful and sensual, purposeful and humane man.

But trying to measure him is like trying to measure other natural forces, like explaining a storm as so many foot-pounds of wind-thrust. He was more than a sum of attributes.

Stephan Haller was not his real name.[1] *He did not want publicity or acclaim; he wanted to do his job. Those of us who knew him know that he would not only have chosen anonymity; he would have insisted on it for operational reasons. His identity and character merged with the work to which he was devoted, shaping it and shaped by it. The work is his memorial. And because we share in the work, we also share in his story.*

R. Helms

[1] A pseudonym is used here because his contacts are still active and several of his operations continue to be of a sensitive nature.

Stephan Haller was the second of two sons born to a middle-class family of German Jews. Manfred and Margarete Haller were living in Frankfurt am Main with their three-year-old Emil in 1906, the year of Stephan's birth. Later a daughter, Sara, was born. Manfred Haller was a Rabbi. In 1916, after Stephan had finished grammar school, the family moved to Kassel. Graduation from *Mittelschule* at the age of ten is unusual in Germany; young Stephan was a good student. From 1916 to 1924 he continued his studies in Braunschweig, and two years later he took his first degree, a BS, at Marburg/Lahn. The next five years were spent at a number of universities inside and outside Germany. The young man's studies showed the breadth of his interests. He became skilled in mathematics and statistics, physics, psychology, sociology, and political science; and he read widely in other subjects.

His father was lean, bearded, and strictly orthodox, whereas Stephan's broad interests and his studies in the sciences had increased his natural curiosity and his scepticism. The result was frequent clashes between father and son. But although Stephan argued from materialistic concepts, one of his closest friends has said that later in his life he was deeply religious, a fact he tried to conceal. In any event, the Rabbi and his younger son were never intimate in their association.

Margarete Haller died in 1923, when Stephan was seventeen. Ten years more, and the Nazis were to put his father in a concentration camp. Later the Rabbi, his daughter, and his older son all managed somehow to reach South America. Stephan found a different course.

Politician and Propagandist

European students have always been more precocious in political life than their American counterparts. Young Haller associated himself with the Social Democratic Party when he was nineteen, and soon became very active in its student groups. From 1925 until 1933, when he was forced to flee Germany, he was much occupied with politics and the educational programs of the German labor movement. For several of those years he was chairman of the Social Democratic Students' Movement at the University of Frankfurt and a member of the movement's national board of chairmen. He was also

district leader of this movement for southwest Germany, which included the Universities of Marburg, Frankfurt, Giessen, Heidelberg, and Munich, as well as the Polytechnic Institute at Darmstadt. At the same time he took part in the educational program of the German labor unions, serving both as educational director and as teacher at various large plants, including I. G. Farben, throughout Hesse.

Haller also became intensely and practically interested in the theory and uses of political propaganda. It was this interest that brought him into intimate contact with Kurt Schumacher, Ollenhauer, and other leading Socialists. He became a member of the SPD Propaganda Committee for Hesse, which worked under the direction of Reichstag Deputy Dr. Carlo Mierendorff. For three years, from 1930 to 1933, this committee maintained a continuous survey and analysis of the effect upon the German people of the propaganda of all the political parties. The purpose of the survey was to improve SPD propaganda and reduce the effectiveness of that of all opponents. Stephan Haller's education thus drew a little closer to his future work.

During the same period he put his analyses to use, appearing as the SPD speaker at nearly a thousand political rallies held all over Germany. About half of these were meetings of nationalistic groups: the Stahlhelm, the German National Party, and of course the NSDAP, the Nazis. He sharpened his wits and skills in debate against men whose names were later heard in intercession and anathema—Goebbels, Hitler's propaganda chief; Baldur von Schirach, Nazi youth leader; Dr. Franz Seldte, founder of the Stahlhelm. Selected as a delegate to the SPD's national convention, he twice ran unsuccessfully for office, once for the Hessian Landtag and once for the Reichstag. Politics is not an easy life anywhere; it was a hard and rewarding school for a young Jew in the turbulent pre-Hitler Germany.

A statement written by Haller for the OSS in early 1944 includes this comment:

> **I shall not dwell upon the fact that in the course of the above mentioned activities, I could not fail to acquire a rather thorough knowledge of the German party system as a whole, of the structure, history, methods of propaganda and action of the German national parties, particularly the Nazi Party,**

the German National Party, and of the leagues and associations either connected to or collaborating with them; as well as, to a certain extent, a personal knowledge of many known leaders of these organizations.

He also learned how to assess people and how to deal with them, when to be friendly and kind and when to be hard or austere, whom to praise or reassure and whom to treat with just the right degree of that superciliousness so effective with certain Germanic types. His convictions gave him reason to act; his studies and political research had taught him how; and now experience was teaching him the hardest lesson, when to act.

Adolf Hitler became Reichschancellor on 30 January 1933. The night before the Reichstag fire, on 27 February, Haller made a pungently anti-Nazi speech at Darmstadt. Two days later the SS storm-troopers came to the Haller home. They did not find Stephan. A young student of his, a girl, had somehow learned what was coming and had warned him. The troopers smashed up the household, arrested the Rabbi, and hauled him off to the *Sammellager*.

The Wandering Jew

For six months Haller lived and worked underground with anti-Nazis in southwest Germany, the Ruhr, and Berlin. In September he escaped into Luxembourg. Here he continued his anti-Nazi work until the German government pressured the small duchy to arrest him and return him. A warrant for his arrest was issued, but he escaped again, to the Saar, which was then administered by the League of Nations. (Much later, at the war's end, Haller went back to Luxembourg with the American forces. He looked up the chief of police and identified himself: he understood, he said, that a warrant for his arrest and extradition was outstanding.)

He stayed in the Saarland until 1935, when it was returned to Germany. When the Nazis marched in he walked out, to Paris. There he resumed, at the Sorbonne, his studies in statistical mathematics, sociology, and political science. He became a volunteer statistician for the Pasteur Institute and a member of the National Center of Scientific Research, a branch of the French Ministry of Education. He was offered an assistant's post at the Institute of Atomic Physics of the

University of Lyon, despite the fact that in 1934 and 1935 France was suffering from unemployment, employed aliens were required to have work permits, and there were many times more refugees than permits.

When World War II started, all German aliens in France were arrested and confined in a detention camp. Soon thereafter Haller and some fifty other German and Austrian scientists were released and formed into a curious organization known as the *Prestation Savante* (Service of Scientists), organized by the French Ministry of War and attached to the University of Montpellier, where they worked under the orders of the Ministers of War and Education. The organization was semi-military, and the scientists were dressed in a compromise between soldiers' uniforms and the garb of monks. During this period Haller made friends with a number of fellow-scientists whom he later recruited and used as agents. Precisely what work was done by the *Prestation* until the fall of France is not clear now.

When France went under, Haller fled again. Both the Gestapo and the Vichy militia were looking for him. There was a price on his head. He went south, to the unoccupied zone. During his long sojourn there he became fluent in French and improved his accent sufficiently to pass as a Belgian. After the Franco-German armistice, the French set up numerous depots at which French military personnel could be demobilized upon request. Their proof of bona fides was the uniform; upon discharge they were given a few thousand francs and a civilian suit. Haller managed to go through the process three times in three different towns, living in each on his severance pay.

Finally picked up and placed in a camp for demobilized French soldiers, he escaped and made his way to the American Consulate in Marseilles, where he obtained an Emergency Intellectual Visa to the United States. After a brief delay in Spain in the summer of 1941, he reached New York via Cuba on a refugee ship. He arrived in wretched physical condition.

Rebel in Uniform

Ten months later, at Fort Dix, New Jersey, he was inducted into the United States Army. The Haller legend has it that some difficulty with the military psychologists ensued: asked

by one of them if he could sing, he replied with a *fortissimo* rendering of *Die Wacht am Rhein*. This opening scene foreshadowed some later events. Assigned as a student to an army engineering school in Kentucky, he was placed in an elementary class. The instructor made frequent errors, and Haller's helpful corrections were appreciated neither by the teacher nor by the commanding officer. The latter had Haller on the carpet and informed him incisively that he was not the assistant instructor. Haller explained that he did not know anything about the army but did know mathematics, whereas the instructor's specialties were obviously the reverse. A compromise was effected: he was to remain silent in class in exchange for a nightly pass.

From September 1942 until April 1944 he was assigned to five different Army posts, usually instructing in the operation of a computer, while the OSS was frantically looking for men who knew Germany well. At last an IBM run turned up Stephan Haller; he knew the language, had detailed area knowledge, was a well-known SPD member, knew important personages. Almost all the holes in the card were in the right places.

The OSS brought him to Washington and gave him intelligence training. In June 1944 he was shipped to London and assigned to the labor division of the BACH section, an organization which supplied cover stories and documents for agents working behind enemy lines. In August he was transferred to a forward combat area in France. He served with one of the first OSS field detachments that accompanied the armies from the Normandy landings to the war's end. These detachments provided liaison from G–2 to OSS headquarters, ran border crossers, recruited spies from POW cages, briefed and debriefed agents, and performed many other intelligence tasks. Haller's exceptional capabilities led to his being recommended for a commission. The recommendation included the following job description:

> Haller is in charge of all BACH research work at Field Base C and acts as immediate assistant to the CO in all intelligence operations. . . . He (a) questions officials . . . interrogates prisoners of war, deserters, and escaped foreign workers . . . (b) collects and analyzes documents . . . (c) prepares written reports . . . covering such topics as: The German Rationing

System, Travelling in Germany, . . . Priorities in German War Production . . . (d) supervises the work of six other members of the detachment. . . .

When Haller's commanding officer was told to have him ready to appear before an ETOUSA commissioning board, he was advised to ensure that "Haller's actions in front of the board be strictly military," and to be sure that the candidate could salute and about-face correctly, that his uniform was neat, clean, and pressed, and that his buttons shone. Perhaps the candidate was aided less by the coaching than by his record. At any rate, on 20 April 1945, Stephan Haller was commissioned a second lieutenant in the Army of the United States.

For the next few months his principal task was to interview prospective agents and work out their cover stories. Supplementing his intimate knowledge of German, Germans, and Germany was his painstaking care in details, an incisively logical mind, and a quiet devotion to duty. He went from Verdun to Luxembourg to Belgium. In May his unit moved to Wiesbaden, where his pay and allowances were further increased by two free bottles of champagne each month.

In Wiesbaden, where the unit was known as "Field Base C" or "Triangle," Haller located old SPD friends and began to pick up the broken threads of German politics, while at the same time busy with counterintelligence work. During this period he established the unorthodox operational pattern which he usually followed afterwards. He installed himself in a house well away from the base, living alone and working with his agents there. This pattern of activity was threatened with abrupt termination by an order from Security that he be separated, but his commanding officer and others who knew him well obtained a reversal. During the argument over this order the acting chief of the area wrote, "We have no one in Europe today who has his scientific background," and forecast for him a brilliant career.

"Baron" Haller at Hochheim

The prediction proved right. In the years after the war Haller obtained extremely valuable political and scientific technical intelligence. Although promoted to first lieutenant

in 1946, he asked to be given civilian status, and in July 1947 became an employee of CIG. He was graded at CAF–11 and paid $4,902 annually—a bargain if there ever was one. By this time he was established at Hochheim am Main, an imposing mansion—almost a castle—with marble halls and statuary, walls covered with damask and leather, and a cellar full of champagne. Thus ensconced in "Schloss Haller," which was listed in official records as a political research center, he began to exploit the intelligence potential of the SPD against East Germany and the USSR and to follow French activity in the French Zone of Germany and even in France itself. This second task, apparently carried out through friends made during the days of his exile, produced almost the only information available about Socialist activity in France and won him an official commendation.

The three years that Haller spent in Hochheim were probably the happiest of his life. The talents with which he was born, the scope and depth of his formal education, and the diversity of his international experience, both civil and military, now came into focus. He was working hard. At times he did not leave his apartment on the second floor of the "Schloss" for two or three weeks in a row. He held intense political discussions with visitors, many of whom were not agents but unwitting sources, friends and acquaintances who had known him as an SPD leader and who were more than willing to help him in the "political research" which he was now doing for the Americans. Among his visitors were Schumacher, Ollenhauer, Heine, and other German Socialist leaders. In fact, Haller even arranged formal meetings of the SPD Party Directorate in his quarters. The result of these meetings and discussions was unexcelled political reporting.

Hard as he worked, Haller also found time for fun and games. He was popular with both his colleagues and the townspeople, from the Mayor down. He always sat at the Mayor's table at civic festivities and was in demand as a dance partner among the wives of the local dignitaries. He drank and smoked with zeal, but few people claim to have seen him the worse for alcohol. His cellar was kept well stocked with champagne and the still wines of the Rhine and Moselle. He even had a false bottom installed in his car, so that whenever his driver was sent to the French Zone he could smuggle back

a few dozen bottles of Hoch. And his major domo, Kurt, was sometimes detailed to escort one or another fair young lady to the Schloss of an evening and drive her home again the next morning.

His pleasure in the present did not keep him from planning for the future. He suggested to his superiors that for operational purposes he renounce the U.S. citizenship acquired through military service and become a German again. He would then re-enter the SPD and thus give the newly established Central Intelligence Agency a high-level penetration of one of the two most important political parties in Germany. This position would make him an ideal agent, he felt, for both intelligence collection and political action. It would not be suspected that his renunciation of American citizenship and renewal of old ties were not genuine; the same thing had been done by others, including a former mayor of Hamburg. But Haller also made conditions. He wanted to keep his U.S. passport—he was quite proud of being an American—and he wanted assurances that when the time came he could return to the United States, his citizenship reactivated. This proposal was not accepted. He frequently referred to it in later days as a missed opportunity.

Haller was intuitive as well as logical. He had a remarkable ability to smell out Communist penetrations of the various civil governments set up in the German states. He felt sure, for example, that the Minister of the Interior for Land Hesse, Hans Venedey, was a Communist; and with his customary pertinacity he set out to prove it. His efforts led the Military Governor to complain to Haller's superior: he "had a good little government going there and Haller was upsetting it." It seems apparent that Haller then had a talk with the SPD leadership, for Venedey was expelled from the SPD for acts injurious to the party. He re-emerged as a functionary of the German Communist Party.

From Politics to Science

In March 1949 CIA headquarters for Haller's area moved from Heidelburg to Karlsruhe, and Haller set up shop in another castle, at Pforzheim. In part his work here was a continuation of the three years at Hochheim. His old SPD friends continued to visit him and furnish valuable political informa-

tion. These visits also gave him a chance to explain his own views, which were of course those of the U.S. Government, and thus to combine intelligence collection with political action. But some of his duties were new. Because of his scientific background, he was placed in charge of a U.S. program for paying subsidies to German scientists, part of a much larger operation designed to deny German scientific talent to the Soviets. This assignment required him to establish and maintain a new cover, one suited to its purpose.

In 1951, his cover well established, he was shifted to Berlin, there to direct operations against scientific targets in the East Zone of Germany. As usual, he took a house which served as both living quarters and base of operations. He responded to the tighter operational environment by intensifying personal control. He rarely went to parties now. He refused to let anyone else handle his agents, even when he was ill. He did not like to put on paper the mass of information accumulated in his head.

He began work, with others, on an operation designed to hinder the Soviet atomic energy program by inducing large-scale defection among German specialist craftsmen in the East Zone. These workers made the fine nickel wire mesh used for the essential separation of uranium isotopes. The scheme worked; technicians and their families defected in droves and were flown to West Germany. But Haller was disappointed to learn later that the Soviets were only inconvenienced, not thwarted. The vanished craftsmen were replaced. His own part in the operation, however, was well done, and in April 1951 headquarters sent him a congratulatory wire. One of his chiefs at about this time took written note of his lone-wolf tendencies, but all were unanimous that his work, and particularly his reporting of scientific intelligence, was excellent.

The German and Austrian scientists who had served with Haller in the *Prestation Savante* in France soon after the beginning of World War II now constituted a pool of assets. For two more years he worked with some of them in acquiring scientific and technical intelligence. A love affair with a young German actress ended when she married his rival, but his disappointment did not impair his work. The quality and

quantity of his output is evidenced in the repeated efforts of his superiors to get him paid more nearly what it was worth:

> His production is phenomenally high, and the many cases he runs are distinguished for the professionalism evident in their conduct. Although outstandingly qualified in background for conduct of positive intelligence operations covering technical and scientific subjects, he has demonstrated marked ability in conducting other kinds of positive intelligence and CE cases. . . . I should like to underline the fact that in the handling of agents and the production of intelligence, particularly in the scientific and technical field, in this area, Haller is, in my opinion, without a peer.

His scope expanded as scientific conferences in Switzerland and elsewhere enabled him to discuss the meetings with old friends who had attended, professors and other intellectuals. Both the briefings and the debriefings of this period are classics. In late 1955 he debriefed Leo Bauer, former leading functionary of the East German Communist Party, who because of his personal acquaintance with Haller had refused to talk to any other American official. He also debriefed Erica Glaser Wallach, who had gone to East Germany to locate her foster-father, Noel Field.

His friends remember only one interview that left him shaken. Dr. Gustave Hertz, one of the leading German scientists who worked on the Soviet atomic energy program, had returned to Germany with his secretary, Ellen Mueller, her husband, and their four children. The family was rushed to a safehouse, and Haller was called. As he began his careful questioning, little hands started tugging at his trouser-legs and clutching at his coat. Soon one and then another child, chomping hard candies, had struggled into his lap. While their mother beamed with a pride that was obviously a factor in her cooperativeness, the two continued the ascent, reaching Haller's sagging shoulders and making room for the other two members of the expedition. Haller has been called both a man's man and a lady's man, but no one ever called him a children's man. Somehow he struggled through the questioning. He emerged perspiring and a little stunned, as though he had been kicked in the stomach. Perhaps he had. All future dealings with Frau Mueller were handled by his assistant.

The Sheer Pinnacle

By now he was near the peak of his career. He was using fully his keen intellect, depth of recall, sensitivity, practical astuteness and imagination, his background in languages, science, and politics, and his feel for operations. His ability to deal with people amounted to genius. He was good at it because he was patient and, above all, because he was interested in people. Unlike most refugees, he had no political or personal axe to grind. He was an accurate observer and reporter. He could talk to all classes of Germans, from artists and professors to farmers and laborers, each in their own language—an indispensable skill in a country in which speech differences mirror both social levels and geography. His relations with his contacts were on two levels—of friendly personal participation and of impassive objectivity—without the latter being evident to them. Perhaps his membership in a race recently and bitterly persecuted by the Germans strengthened this faculty and sharpened his ability to use German agents for the purposes of his new homeland.

He did not grow careless or conceited with success. He remained a meticulous craftsman. Before he debriefed a source, he mastered the subject to be discussed. His agents were made comfortable not only by his cigars and beer but also by the easy flow of communication. And he did not end until he had every last scrap of useful information. He never failed, moreover, to remain alert for operational leads—potential agents, counterintelligence indicators, propaganda possibilities. When Haller was finished, there were no more questions to be asked. And though he groaned over the chore of putting it on paper, his reporting became thorough—and more than thorough, illuminating—for he rarely failed to make interpretive comments. Despite the bulk of his reporting he wrote everything in longhand.

His work remained consistently solid, even brilliant. Some of it was considered sufficiently important to be brought to the personal attention of the Director of Central Intelligence. The Director, impressed, thought that the promotions which his superiors had got for him were not enough. Stephan Haller thus became a rarity, a man promoted to the top of Civil Service ranks not because he was an exceptional execu-

tive—he had never occupied an executive position—but solely because he was an exceptional case officer. The Director sent him a personal letter of congratulation, and shortly thereafter, when he was called to headquarters, gave a luncheon in his honor. Haller was deeply moved. He often spoke later of the great honor conferred on him in Washington. His life and work reached on that day the top of a rocket-like trajectory. It was for him a moment of true glory.

After his return to Germany and a period of hard work in Berlin, he went in mid-1956 to Darmstadt to visit friends. Awakening in a strange room, in the middle of the night, he reached out for the light, but on the wrong side, and fell out of bed. The fall broke his hip. A German doctor placed a pin in the fracture, but the leg kept on giving him trouble. He went to a hospital in Munich, where leeches were used in an effort to reduce his blood pressure. The results were not good. He developed phlebitis.

These physical misfortunes would not have been the beginning of the end for most of us, who can learn to be satisfied with past achievements and past honors, financial comfort, and a familiar circle of family and friends. Stephan Haller was a man of different breed. With all the intensity of his character he had wound his life around one thing, his work. Work and the feeling that what he did was recognized were his entire psychological sustenance. Now that appeared to be gone.

Lying month upon month in bed in the Army Hospital in Frankfurt, he grew ever more depressed, thinking of how he could do nothing now to justify those honors heaped on him, and how little he would ever be likely to do again. Remembering that it had once been only his performance which had saved him from the Security axe, he even developed a growing fear that he would be released from the service, after thirteen years, because he had stopped producing. No amount of reassurance by friends and fellow-workers could dispel this irrational figment of his frustrated energy. His collapse was so alarming that he was returned to Washington in February 1957 and treated at the George Washington University Hospital. About a month later he was discharged.

He took an apartment on Sixteenth Street. Far from familiar Europe, out of touch with his world of operational activity, Haller fell victim of that sense of uselessness with which the jealous gods, perhaps, had visited him at the summit of his life. On 26 April 1957 he was stricken by a heart attack and died.